Government of Saskatchewan

Annual Report 1987

Municipal Employees' Superannuation Commission

91-01546/

Table of Contents

		2
I	Letter of Transmittal	3
II	Introduction	4
III	Organization Chart	5
IV	Plan Membership	6
V	General Comments	7
VI	Plan Improvements in the 80's	8
VII	Comparative Statistics	9
VIII	Retirement Comparisons — Numbers and Types	10
IX	Allowances Granted	15
X	Transfers to Other Registered Pension Plans	16
XI	Deaths of Members	17
XII	Deaths of Superannuated Members	18
XIII	Lump Sum Payments — Estates and Beneficiaries	19
XIV	Administration Expenses	20
XV	Auditor's Report and Financial Statements	

I — Letter of Transmittal

The Honourable J. Gary Lane, Q.C.
Minister-in-Charge,
Municipal Employees'
Superannuation Commission,
Legislative Building Room 312,
Regina, Saskatchewan.
S4S 0B3

Dear Sir:

On behalf of the Municipal Employees' Superannuation Commission, I have the honour to submit herewith the forty-sixth Annual Report together with the financial statements for the calendar year ending December 31, 1987 pursuant to provisions of section 62 of *The Municipal Employees' Superannuation Act*.

Respectfully submitted,

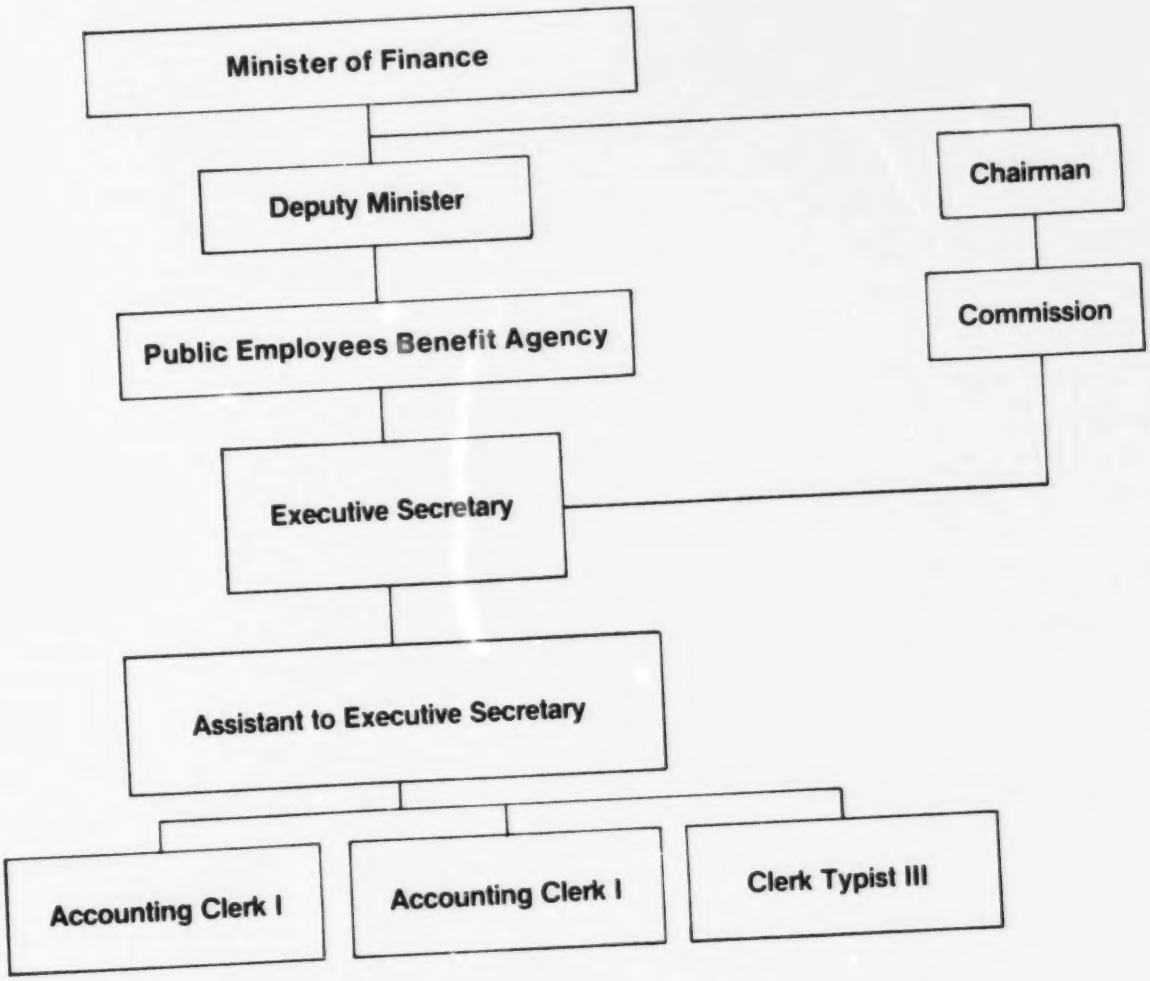
Dave Wild,
Executive Secretary.

II — Introduction

The Municipal Employees' Superannuation Commission consists of a Chairman appointed by the Lieutenant Governor in Council to represent the Government of Saskatchewan, and eight members representing their respective associations as listed below.

Name	Position	Representing
Roy C. Parkinson	Chairman	The Government of Saskatchewan
William L. Burbank	Vice-Chairman	Rural Municipal Administrators' Association of Saskatchewan
Thomas L. Edwards	Member	Saskatchewan Association of School Business Officials
Owen Mann	Member	Saskatchewan Association of Urban Municipalities
Gregory McCullagh	Member	Saskatchewan Federation of Police Officers and Firemen
Julius Friesen	Member	Saskatchewan Community Colleges Trustees' Association
Walter Herman	Member	Saskatchewan Association of Urban Administrators
Dwight Welisch	Member	Saskatchewan School Trustees' Association
Lorne Wilkinson	Member	Saskatchewan Association of Rural Municipalities

III — Organizational Chart



IV — Plan Membership

Employers	Number of Employers	Number of Employees
Cities	7	743
Towns	138	820
Villages	138	209
Rural Municipalities	299	1,262
School Divisions and Boards	96	1,869
Regional Libraries	5	108
Community Colleges	11	155
Other Employers	10	105
Total Active Participants	**704**	**5,271**

V — General Comments

Interest Credits

For the year 1987, the commission allocated interest to contributors' accounts at the rate of 11.5% per annum which is the approximate rate earned by the fund during the year.

Actuarial Study

An actuarial valuation of the pension fund was conducted in 1987 to determine the fund's solvency. The valuation indicated the fund to be fully funded, with an actuarial surplus, and the current contribution rate to be more than sufficient to finance benefits to be earned in the future.

The surplus of the fund as at December 31, 1986, was calculated to be approximately $37 million. Total fund balance as at that date was $173.8 million.

Special Contributions

Commencing with the year 1976, each rural municipality was assessed an equal annual sum to pay for fifty percent of the cost of providing additional allowances to rural municipal secretary-treasurers. Rural municipal secretary-treasurers are provided with a minimum monthly pension equal to the amount obtained by multiplying $8.00 by their number of years of service up to a maximum of thirty-five years.

For the year 1987, each of the 299 rural municipalities was assessed the sum of $20.00, for a total remittance of $5,980.00. The balance of the cost was borne by the Department of Finance of the Province of Saskatchewan.

Cost of Administration of the Plan

The cost of administering the plan is borne by the provincial government. In 1987 the provincial government provided:

(a) sufficient funds to cover all administration expenses excluding costs related to actuarial studies (for the year 1987, these expenses amounted to $198,902);

(b) office space, furniture, and equipment;

(c) expert investment services through the Department of Finance at no cost to the plan; and

(d) computerized cheque preparation with respect to more than 1,300 superannuation cheques each month.

Reciprocal Agreement Signed

The commission entered into a reciprocal agreement with the Saskatoon Board of Education to provide for the transfer of pensionable service and funds between the Board of Education of the Saskatoon School Division Number 13 of Saskatchewan and the commission.

The commission now has a total of 13 such agreements, including agreements with the Federal Government, Ontario, Manitoba, Alberta and numerous public plans within Saskatchewan.

Pension Supplement

In January, 1987, the commission granted pension supplements to regular allowance and annuities underwritten by the commission. Pensions were increased by 6% where the pension commenced prior to 1985 and by 3% where the pension commenced during 1985.

New Commission Member

March 30, 1987 — Mr. Lorne Wilkinson of Regina, Saskatchewan, was appointed by the Saskatchewan Association of Rural Municipalities to represent their interests at commission meetings. Mr. Wilkinson succeeds Mr. Louis Wolkowski of Canora, Saskatchewan.

VI — Plan Improvements in the 80's

January 1, 1980

Average salary used in New Plan pension formula reduced from average of 6 years highest salary to 5 years.

July 1, 1980

Pension increases with a commuted value of $1.1 million were granted to retired members and their surviving spouses up to a maximum of $50 per month, based on the length of time that they were in receipt of pension benefits.

The larger increases were granted to those who superannuated earliest as it was agreed that it was those persons who were most adversely affected by inflation.

July 1, 1981

Beginning on this date the plan administrators insure that the newly revised *Pension Benefits Act* is strictly adhered to. For example:

(i) at retirement or termination a member's contributions and accumulated interest cannot exceed 50% of the commuted value of the members pension. Any excess funds are used to purchase additional pension benefits;

(ii) upon termination of service, a member whose funds are subject to the "lock-in" provisions is given the option of withdrawing up to one-half of his own funds while still remaining entitled to an allowance at normal retirement age amounting to not less than 75% of that which would have been payable had no withdrawal of funds been made.

The eventual pension benefits would be paid for from the remaining half of the member's contributions and all of the employer's contributions and interest;

(iii) an annual "Statement of Accounts" is mailed to each contributing member showing current contributions and year-to-date totals of contributions, interest, and service credits.

Those persons who have contributed to the New Plan for at least 5 full years are also advised of the pension earned to date, payable at normal retirement age.

July 1, 1982

Additional allowances, similar to those granted in July 1980, were approved for payment to superannuates and their surviving spouses. The commuted value of these supplements as determined by the commission's actuary is $1.3 million.

May 11, 1983

On May 11, 1983, Royal Assent was given to a legislative amendment which increased spousal benefits from 50% to 60% of the allowance being paid to a superannuate for all surviving spouses of superannuates who die subsequent to that date.

September 1, 1984

Ad hoc pension supplements were granted to all retired members and their surviving spouses provided their allowances commenced prior to January 1, 1984. An increase of 5% was given to those allowances which commenced during 1983. Allowances which commenced prior to 1983 received adjustments of 9%.

December 13, 1985

The legislation was amended to allow earlier nonreduced pensions and to provide for dependants allowances after ten years of credited service. General plan members may retire when their age plus credited service totals 85 years. Designated police officers and firefighters are eligible to receive nonreduced pensions when age plus credited service totals 75.

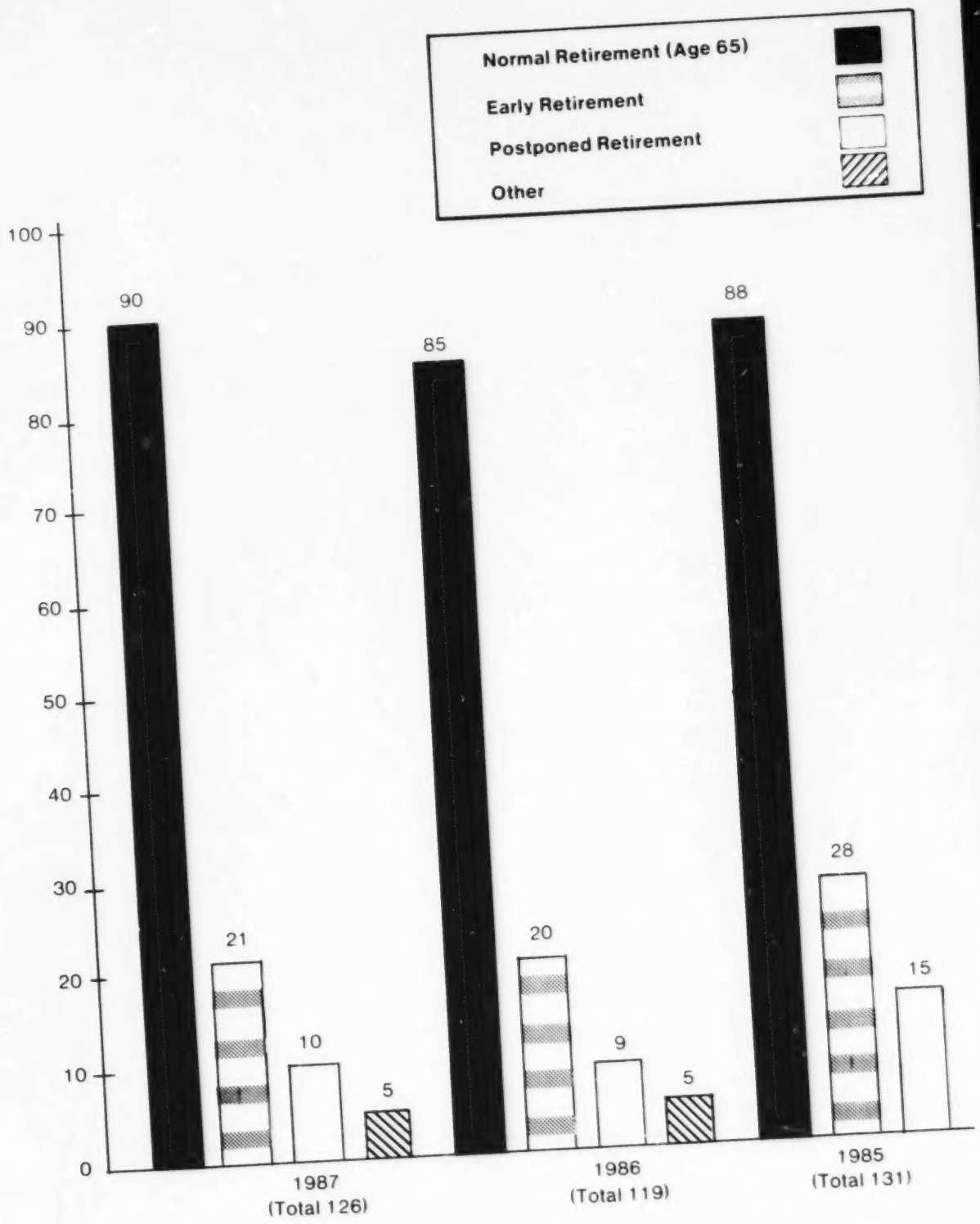
January 1, 1987

Ad hoc pension supplements were granted to all retired members and their surviving spouses provided their allowances commenced prior to January 1, 1986. An increase of 3% was given to those allowances which commenced during 1985. Allowances which commenced prior to 1985 received an adjustment of 6%.

VII — Comparative Statistics

	1987	1986
Contributions to New Plan		
— Employees	$ 6,472,567	$ 6,143,274
— Employers	6,472,567	6,143,274
Contributions to Former Plan (Voluntary Contributions)		
— Employees	98,173	75,838
— Employers	79,470	46,635
Superannuation Allowances		
— Number granted during the year	126	119
— Pension Costs	4,032,326	3,363,806
Other Payments		
— Refunds	948,180	913,760
— Payments to insurance companies	3,883	67,010
— Lump Sum Payments in lieu of Allowances	61,258	46,485
— Payments to Beneficiaries and/or Estates	50,691	90,722
— Reciprocal Transfers to other Pension Plans	208,259	298,894
Total Assets	203,817,591	173,829,377

VIII — Retirement Comparisons (Number and Types)



IX — Allowances Granted — Jan. 1 — Dec. 31, 1987

	Effective Date	Sex	Age		Service Yrs.	Mos.		Funds	Type of Benefit	Monthly Amount
1	Jan. 1/87	M	65	F.P.	14	9	F.P.	44,004.71	Single Life G-5	483.98
				N.P.	12	11	N.P.	53,134.56	Formula Benefit	526.39
2	Jan. 1/87	M	60	F.P.	15	1	F.P.	53,939.24	Joint Life G-10	473.57
3	Jan. 1/87	M	65	F.P.	1	0	F.P.	3,198.07	Joint Life G-0	30.64
				N.P.	11	10	N.P.	27,960.33	Formula Benefit	261.85
4	Jan. 1/87	M	65	F.P.	2	1	F.P.	2,817.79	Single Life G-0	27.09
				N.P.	13	5	N.P.	20,707.70	Formula Benefit	298.88
5	Jan. 1/87	F	55	F.P.	20	1	F.P.	13,699.85	Joint Life G-10	112.75
				N.P.	13	3	N.P.	32,709.97	Formula Benefit	474.22
6	Jan. 1/87	M	65	F.P.	1	6	F.P.	1,342.08	Single Life G-0	14.87
				N.P.	3	2	N.P.	6,728.98	Formula Benefit	38.23
7	Jan. 1/87	M	66	F.P.	7	0	F.P.	7,620.44	Joint Life G-10	71.90
				N.P.	11	5	N.P.	39,373.42	Formula Benefit	441.87
8	Jan. 1/87	M	65	F.P.	12	6	F.P.	26,692.33	Single Life G-10	269.16
				N.P.	13	5	N.P.	48,202.81	Formula Benefit	501.51
9	Jan. 1/87	M	65	F.P.	5	4	F.P.	7,631.53	Joint Life G-10	70.88
				N.P.	6	1	N.P.	10,315.45	Formula Benefit	77.23
10	Jan. 1/87	F	65	F.P.	5	6	F.P.	4,512.14	Joint Life G-10	41.12
				N.P.	10	4	N.P.	18,455.52	Formula Benefit	157.12
11	Jan. 1/87	F	65	F.P.	3	9	F.P.	1,637.28	Joint Life G-5	15.33
				N.P.	13	2	N.P.	22,121.73	Formula Benefit	218.45
12	Jan. 1/87	M	65	F.P.	4	1	F.P.	34,240.66	Joint Life G-10	313.23
				N.P.	13	2	N.P.	37,692.56	Formula Benefit	330.14
13	Jan. 1/87	M	66	F.P.	5	0	F.P.	5,246.62	Joint Life G-10	48.91
				N.P.	12	0	N.P.	21,697.92	Formula Benefit	219.15
14	Jan. 1/87	M	66	F.P.	2	7	F.P.	7,860.81	Joint Life G-10	75.58
				N.P.	4	2	N.P.	10,275.73	Formula Benefit	88.62
15	Feb. 1/87	M	65	F.P.	24	4	F.P.	8,034.24	Single Life G-0	89.04
				N.P.	10	3	N.P.	26,162.02	Formula Benefit	191.68
16	Feb. 1/87	M	65	F.P.	4	0	F.P.	106.85	Single Life G-0	0.43
				N.P.	9	9	N.P.	11,577.82	Formula Benefit	102.22
17	Feb. 1/87	M	65	F.P.	1	0	F.P.	2,252.12	Single Life G-0	24.96
				N.P.	12	5	N.P.	34,064.04	Formula Benefit	302.24
18	Feb. 1/87	M	65	F.P.	1	5	F.P.	1,838.65	Joint Life G-0	17.87
				N.P.	11	6	N.P.	30,787.65	Formula Benefit	275.04
19	Feb. 1/87	M	65	F.P.	10	2	F.P.	46,718.91	Joint Life G-10	441.68
				N.P.	13	2	N.P.	82,772.40	Formula Benefit	849.65
20	Feb. 1/87	M	65	F.P.	19	5	F.P.	26,470.70	Joint Life G-15	230.69
				N.P.	8	1	N.P.	26,761.64	Formula Benefit	228.75
21	June 1/86	F	65	F.P.	18	9	F.P.	40,592.75	Single Life G-10	349.88
				N.P.	12	5	N.P.	28,132.45	Formula Benefit	244.54
22	Feb. 1/87	M	65	F.P.		11	F.P.	5,238.18	Joint Life G-10	48.87
				N.P.	10	6	N.P.	16,976.17	Formula Benefit	151.62
23	Feb. 1/87	M	65	F.P.	1	9	F.P.	1,480.23	Joint Life G-10	13.58
				N.P.	13	7	N.P.	34,775.19	Formula Benefit	316.33
24	Feb. 1/87	M	65	F.P.	2	5	F.P.	5,399.81	Joint Life G-10	49.74
				N.P.	13	7	N.P.	35,378.53	Formula Benefit	316.28
25	Feb. 1/87	M	65	F.P.	2	9	F.P.	3,275.15	Joint Life G-0	30.56
				N.P.	3	10	N.P.	9,518.71	Formula Benefit	65.85
26	Jan. 1/87	M	65	N.P.	7	0	N.P.	15,308.28	Formula Benefit	82.39
27	Jan. 1/87	M	65	F.P.	6	9	F.P.	35,874.20	Joint Life G-10	339.06
				N.P.	13	3	N.P.	64,379.89	Formula Benefit	663.67

IX — Allowances Granted — Jan. 1 — Dec. 31, 1987 Continued

	Effective Date	Sex	Age		Service Yrs.	Mos.		Funds	Type of Benefit	Monthly Amount
28	Jan. 1/87	M	65	F.P.	9	8	F.P.	18,939.61	Joint Life G-10	175.90
				N.P.	13	4	N.P.	49,962.57	Formula Benefit	492.70
29	Jan. 1/87	M	65	F.P.	18	10	F.P.	83,207.16	Joint Life G-10	766.22
				N.P.	13	6	N.P.	78,694.27	Formula Benefit	794.40
30	Jan. 1/87	M	65	F.P.	20	3	F.P.	27,478.73	Joint Life G-10	264.53
				N.P.	12	9	N.P.	14,742.10	Formula Benefit	137.48
31	Mar. 1/87	M	65	F.P.	15	7	F.P.	87,721.85	Joint Life G-10	836.65
				N.P.	13	8	N.P.	80,196.75	Formula Benefit	1,077.96
32	Jan. 1/87	F	63	F.P.	3	1	F.P.	4,545.00	Single Life G-0	43.35
				N.P.	13	6	N.P.	43,341.78	Formula Benefit	632.35
33	Mar. 1/87	M	65	F.P.	2	7	F.P.	2,757.85	Single Life G-0	30.56
				N.P.	3	2	N.P.	6,247.36	Formula Benefit	35.24
34	Feb. 1/87	F	57	N.P.	13	7	N.P.	69,232.24	Formula Benefit	401.00
35	Mar. 1/87	M	65	F.P.	1	0	F.P.	5,331.29	Joint Life G-0	52.30
				N.P.	2	8	N.P.	8,205.29	Formula Benefit	37.68
36	Mar. 1/87	M	65	F.P.	2	3	F.P.	1,967.66	Joint Life G-0	19.31
				N.P.	10	11	N.P.	11,118.02	Formula Benefit	92.27
37	Mar. 1/87	F	65	F.P.	1	11	F.P.	923.13	Joint Life G-0	8.57
				N.P.	5	3	N.P.	4,778.01	Formula Benefit	35.91
38	Mar. 1/87	M	65	F.P.	1	0	F.P.	2,208.17	Single Life G-0	24.48
				N.P.	11	4	N.P.	29,535.61	Formula Benefit	259.63
39	Mar. 1/87	M	65	F.P.	11	7	F.P.	16,439.80	Joint Life G-10	152.07
				N.P.	9	11	N.P.	25,239.40	Formula Benefit	185.41
40	Jan. 1/87	F	63	F.P.	9	2	F.P.	3,720.39	Joint Life G-0	33.29
				N.P.	13	6	N.P.	25,582.07	Formula Benefit	400.91
41	Mar. 1/87	*	**	N.P.	13	8	N.P.	47,908.98	Formula Benefit	262.13*
42	Apr. 1/87	M	65	F.P.	13	11	F.P.	29,996.56	Joint Life G-10	277.46
				N.P.	8	5	N.P.	17,837.38	Formula Benefit	142.54
43	Apr. 1/87	M	65	N.P.	8	0	N.P.	7,238.46	Formula Benefit	34.62
44	Apr. 1/87	F	62	F.P.	17	11	F.P.	88,262.08	Single Life G-10	791.79
				N.P.	13	9	N.P.	68,815.05	Formula Benefit	841.78
45	Apr. 1/87	M	65	F.P.	4	11	F.P.	5,849.34	Joint Life G-0	55.30
				N.P.	7	8	N.P.	17,706.88	Formula Benefit	125.16
46	Apr. 1/87	M	65	F.P.	8	6	F.P.	6,963.01	Joint Life G-0	68.31
				N.P.	4	1	N.P.	2,882.58	Formula Benefit	11.74
47	Apr. 1/87	M	65	F.P.	15	3	F.P.	34,058.38	Joint Life G-10	308.87
				N.P.	13	9	N.P.	37,005.66	Formula Benefit	331.69
48	Apr. 1/87	M	65	F.P.	1	0	F.P.	6,605.61	Joint Life G-10	60.13
				N.P.	7	11	N.P.	33,158.66	Formula Benefit	279.59
49	Apr. 1/87	M	65	F.P.	1	0	F.P.	907.47	Joint Life G-0	8.62
				N.P.	3	1	N.P.	4,712.51	Formula Benefit	26.72
50	Apr. 1/87	M	64	F.P.	4	9	F.P.	1,230.50	Joint Life G-0	11.79
				N.P.	13	9	N.P.	27,223.67	Formula Benefit	381.65
51	Apr. 1/87	M	65	N.P.	13	9	N.P.	21,101.35	Formula Benefit	224.19
52	Apr. 1/87	M	61	F.P.	11	2	F.P.	49,055.54	Joint Life G-10	439.28
				N.P.	8	11	N.P.	20,638.07	Formula Benefit	241.40
53	Apr. 1/87	*	**	N.P.	13	9	N.P.	46,082.93	Formula Benefit	215.67*
54	Apr. 1/87	M	65	N.P.	13	3	N.P.	15,863.24	Formula Benefit	178.37
55	May 1/87	M	65	F.P.	1	5	F.P.	2,864.94	Joint Life G-10	26.42
				N.P.	7	2	N.P.	13,653.89	Formula Benefit	109.51

IX — Allowances Granted — Jan. 1 — Dec. 31, 1987 Continued

	Effective Date	Sex	Age		Service Yrs.	Mos.		Funds	Type of Benefit	Monthly Amount
56	May 1/87	M	65	F.P.	1	4	F.P.	2,044.99	Joint Life G-10	15.94
				N.P.	13	10	N.P.	51,780.46	Formula Benefit	483.18
57	May 1/87	M	64	F.P.	1	2	F.P.	3,931.60	Joint Life G-0	37.35
				N.P.	8	7	N.P.	12,846.19	Formula Benefit	133.88
58	May 1/87	*	**	N.P.	10	0	N.P.	39,312.42	Formula Benefit	192.72*
59	May 1/87	M	63	F.P.	11	6	F.P.	26,475.78	Joint Life G-10	242.85
				N.P.	13	10	N.P.	30,842.10	Formula Benefit	419.67
60	May 1/87	M	65	F.P.	4	4	F.P.	499.19	Joint Life G-0	5.54
				N.P.	7	10	N.P.	4,986.60	Formula Benefit	34.39
61	May 1/87	M	65	F.P.			F.P.	2,241.90	Joint Life G-0	22.22
				N.P.	5	10	N.P.	17,618.92	Formula Benefit	146.20
62	May 1/87	M	65	F.P.	15	10	F.P.	16,169.44	Joint Life G-10	152.87
				N.P.	3	4	N.P.	4,413.70	Formula Benefit	16.06
63	May 1/87	M	65	F.P.	3	3	F.P.	5,982.37	Joint Life G-10	55.34
				N.P.	4	4	N.P.	14,392.51	Formula Benefit	88.79
64	June 1/87	M	65	F.P.	6	3	F.P.	3,296.85	Joint Life G-0	32.71
				N.P.	13	7	N.P.	47,459.49	Formula Benefit	419.73
65	June 1/87	F	65	F.P.	7	5	F.P.	3,753.25	Joint Life G-0	35.88
				N.P.	12	10	N.P.	28,899.43	Formula Benefit	260.01
66	May 1/87	M	65	F.P.	3	0	F.P.	6,563.38	Joint Life G-10	60.71
				N.P.	13	10	N.P.	60,519.85	Formula Benefit	560.15
67	June 1/87	M	65	F.P.	1	1	F.P.	2,015.12	Joint Life G-0	19.81
				N.P.	8	0	N.P.	16,334.26	Formula Benefit	137.52
68	June 1/87	M	65	F.P.	2	9	F.P.	2,762.83	Joint Life G-0	26.24
				N.P.	5	3	N.P.	7,860.30	Formula Benefit	48.43
69	June 1/87	M	65	F.P.	1		F.P.	3,910.55	Joint Life G-10	36.63
				N.P.	4	7	N.P.	11,721.73	Formula Benefit	78.39
70	June 1/87	M	65	F.P.	1	1	F.P.	2,482.02	Joint Life G-0	23.90
				N.P.	13	1	N.P.	37,433.68	Formula Benefit	327.86
71	June 1/87	F	65	N.P.	13	11	N.P.	35,061.26	Formula Benefit	343.12
72	June 1/87	M	65	F.P.	1	1	F.P.	3,475.51	Joint Life G-0	34.82
				N.P.	12	8	N.P.	33,984.98	Formula Benefit	291.99
73	Apr. 1/87	M	65	F.P.			F.P.	1,716.31	Joint Life G-0	16.24
				N.P.	7	10	N.P.	16,124.45	Formula Benefit	136.91
74	May 1/87	M	58	F.P.	9	11	F.P.	24,825.55	Joint Life G-10	212.94
				N.P.	8	5	N.P.	14,421.18	Formula Benefit	161.57
75	June 1/87	F	65	F.P.	18	1	F.P.	33,069.96	Single Life G-19	313.67
				N.P.	13	11	N.P.	36,384.68	Formula Benefit	314.54
76	June 1/87	F	56	F.P.	10	1	F.P.	16,240.26	Joint Life G-10	136.58
				N.P.	8	5	N.P.	9,239.49	Formula Benefit	102.31
77	June 1/87	M	65	F.P.			F.P.	5,073.91	Joint Life G-0	49.04
				N.P.	8	4	N.P.	14,845.34	Formula Benefit	127.08
78	June 1/87	F	60	F.P.	1	7	F.P.	7,977.75	Joint Life G-0	70.37
				N.P.	13	5	N.P.	46,812.98	Formula Benefit	634.94
79	July 1/87	M	60	F.P.	1	1	F.P.	8,508.11	Joint Life G-10	74.30
				N.P.	14	0	N.P.	28,171.63	Formula Benefit	377.86
80	July 1/87	M	65	F.P.	2		F.P.	4,108.26	Joint Life G-10	38.94
				N.P.	8	6	N.P.	19,238.14	Formula Benefit	167.41
81	Mar. 1/87	M	70	F.P.	6	5	F.P.	15,933.81	Single Life G-5	191.48
				N.P.	4	2	N.P.	9,443.15	Formula Benefit	70.15

IX — Allowances Granted — Jan. 1 — Dec. 31, 1987 Continued

	Effective Date	Sex	Age		Service Yrs.	Mos.		Funds	Type of Benefit	Monthly Amount
82	July 1/87	M	68	F.P.	5	3	F.P.	16,495.79	Joint Life G-10	158.05
				N.P.	10	7	N.P.	40,325.97	Formula Benefit	380.65
83	July 1/87	F	65	F.P.	9	6	F.P.	14,911.39	Single Life G-10	141.44
				N.P.	13	7	N.P.	33,470.55	Formula Benefit	291.40
84	July 1/87	F	64	F.P.	1	9	F.P.	1,679.13	Joint Life G-0	16.04
				N.P.	14	1	N.P.	13,775.75	Formula Benefit	177.70
85	July 1/87	F	60	F.P.	5	10	F.P.	3,240.88	Joint Life G-0	29.01
				N.P.	14	0	N.P.	15,860.94	Formula Benefit	210.75
86	June 1/87	M	65	F.P.			F.P.	1,917.46	Joint Life G-0	17.96
				N.P.	13	10	N.P.	21,993.24	Formula Benefit	190.74
87	Apr. 1/87	M	65	F.P.			F.P.	1,911.75	Joint Life G-0	18.66
				N.P.	9	5	N.P.	19,088.35	Formula Benefit	163.26
88	Aug. 1/87	M	65	N.P.			N.P.	18,194.26	Formula Benefit	100.63
89	Aug. 1/87	F	65	F.P.	9	6	F.P.	15,961.78	Joint Life G-10	147.91
				N.P.	2	11	N.P.	7,031.60	Formula Benefit	16.57
90	Aug. 1/87	M	64	F.P.	4	8	F.P.	3,418.90	Joint Life G-0	33.76
				N.P.	14	0	N.P.	23,132.26	Formula Benefit	324.55
91	Aug. 1/87	M	65	F.P.	5	4	F.P.	11,464.06	Single Life G-10	117.31
				N.P.	14	1	N.P.	28,840.54	Formula Benefit	249.52
92	Aug. 1/87	M	65	F.P.			F.P.	3,364.29	Joint Life G-0	32.65
				N.P.	10	1	N.P.	36,896.51	Formula Benefit	318.27
93	Aug. 1/87	M	68	N.P.	10	9	N.P.	49,620.26	Formula Benefit	451.73
94	Aug. 1/87	M	65	F.P.	1	7	F.P.	8,029.41	Joint Life G-10	78.70
				N.P.	13	8	N.P.	46,307.13	Formula Benefit	431.87
95	Sept. 1/87	M	65	F.P.	9	6	F.P.	2,165.23	Joint Life G-0	21.18
				N.P.	14	1	N.P.	34,768.33	Formula Benefit	310.40
96	Sept. 1/87	F	65	F.P.			F.P.	819.85	Joint Life G-0	8.09
				N.P.	14	8	N.P.	14,114.59	Formula Benefit	124.11
97	Sept. 1/87	F	65	F.P.			F.P.	3,409.52	Joint Life G-0	33.43
				N.P.	7	10	N.P.	9,345.48	Formula Benefit	67.48
98	Sept. 1/87	F	65	N.P.	5	1	N.P.	7,815.61	Formula Benefit	29.49
99	Aug. 1/87	F	67	F.P.	3	2	F.P.	6,929.47	Joint Life G-10	66.10
				N.P.	2	1	N.P.	4,250.87	Formula Benefit	33.24
100	June 1/87	M	65	F.P.	25	4	F.P.	86,225.28	Joint Life G-10	821.12
				N.P.	13	11	N.P.	60,888.21	Formula Benefit	564.39
101	Sept. 1/87	F	65	F.P.			F.P.	973.36	Joint Life G-0	9.52
				N.P.	7	0	N.P.	7,622.54	Formula Benefit	62.26
102	Oct. 1/87	M	62	F.P.	20	2	F.P.	85,235.08	Joint Life G-10	822.91
				N.P.	11	10	N.P.	42,032.63	Formula Benefit	447.15
103	Sept. 1/87	M	62	F.P.	20	10	F.P.	33,844.31	Joint Life G-10	320.25
				N.P.	14	2	N.P.	26,669.11	Formula Benefit	676.88
104	Sept. 1/87	M	68	F.P.	4	1	F.P.	14,421.35	Joint Life G-10	147.16
				N.P.	3	2	N.P.	7,644.71	Formula Benefit	66.17
105	Oct. 1/87	M	65	F.P.	4	0	F.P.	3,891.80	Joint Life G-10	37.65
				N.P.	14	3	N.P.	33,541.72	Formula Benefit	296.08
106	July 1/87	M	64	F.P.	9	7	F.P.	2,758.94	Joint Life G-0	29.10
				N.P.	13	1	N.P.	36,511.22	Formula Benefit	488.48
107	Aug. 1/87	M	65	F.P.			F.P.	3,194.31	Joint Life G-0	33.24
				N.P.	8	3	N.P.	10,197.27	Formula Benefit	66.85

IX — Allowances Granted — Jan. 1 — Dec. 31, 1986 Continued

	Effective Date	Sex	Age		Service Yrs.	Mos.		Funds	Type of Benefit	Monthly Amount
108	Oct. 1/87	M	65	F.P.			F.P.	3,284.68	Joint Life G-0	34.97
				N.P.	7	5	N.P.	30,706.24	Formula Benefit	262.09
109	Sept. 1/87	M	55	F.P.			F.P.	1,621.39	Immed. Life G-0	15.97
				N.P.	15	0	N.P.	35,257.82	Formula Benefit	321.59
110	Oct. 1/87	M	65	F.P.			F.P.	3,272.33	Joint Life G-0	34.84
				N.P.	11	6	N.P.	30,125.05	Formula Benefit	256.05
111	Aug. 1/87	M	65	F.P.	12	1	F.P.	28,235.05	Joint Life G-10	275.73
				N.P.	9	11	N.P.	21,817.68	Formula Benefit	160.82
112	Oct. 1/87	M	65	F.P.	1	0	F.P.	3,353.70	Immed. Life G-5	38.20
				N.P.	4	8	N.P.	8,513.38	Formula Benefit	67.11
113	Oct. 1/87	M	65	F.P.			F.P.	2,324.75	Joint Life G-0	23.71
				N.P.	12	9	N.P.	27,312.93	Formula Benefit	238.11
114	Sept. 1/87	M	67	F.P.	1	10	F.P.	8,584.59	Joint Life G-10	88.75
				N.P.	3	5	N.P.	9,180.17	Formula Benefit	87.16
115	Oct. 1/87	M	65	F.P.			F.P.	2,120.73	Joint Life G-0	21.40
				N.P.	13	6	N.P.	23,337.87	Formula Benefit	202.19
116	June 1/87	M	36	N.P.	15	1	N.P.	29,794.13	Formula Benefit	162.46**
117	Aug. 1/87	M	65	F.P.	17	7	F.P.	5,454.08	Joint Life G-0	53.61
				N.P.	8	8	N.P.	19,918.10	Formula Benefit	137.42
118	Oct. 1/87	M	65	F.P.	5	0	F.P.	3,622.84	Immed. Life G-0	43.06
				N.P.	14	3	N.P.	53,988.45	Formula Benefit	479.58
119	Oct. 1/87	M	65	F.P.	5	10	F.P.	9,485.10	Joint Life G-10	93.61
				N.P.	14	3	N.P.	35,138.50	Formula Benefit	309.34
120	Nov. 1/87	M	63	F.P.	1	4	F.P.	1,309.66	Joint Life G-10	13.36
				N.P.	14	4	N.P.	22,844.49	Formula Benefit	296.52
121	Dec. 1/87	F	65	F.P.			F.P.	966.20	Joint Life G-0	9.48
				N.P.	3	2	N.P.	4,055.33	Formula Benefit	26.03
122	Dec. 1/87	M	65	F.P.			F.P.	5,807.38	Joint Life G-0	61.25
				N.P.	13	0	N.P.	36,583.37	Formula Benefit	292.40
123	Dec. 1/87	F	65	F.P.			F.P.	2,314.46	Joint Life G-0	23.97
				N.P.	4	7	N.P.	7,315.23	Formula Benefit	46.59
124	Dec. 1/87	*	**	F.P.	7	8	F.P.	15,907.65	Immed. Life G-10	139.57*
				N.P.	14	3	N.P.	75,249.40	Formula Benefit	515.30
125	Dec. 1/87	F	65	F.P.			F.P.	1,314.32	Joint Life G-0	13.15
				N.P.	11	2	N.P.	20,024.27	Formula Benefit	174.34
126	Dec. 1/87	M	65	F.P.			F.P.	7,226.86	Joint Life G-0	74.88
				N.P.	12	8	N.P.	28,763.59	Formula Benefit	205.11

* Dependents Allowance

** Disability Allowance

X — Transfers to Other Registered Pension Plans

Employer	Transferee	Amount
1. Lakeland Regional Library	PESP	$30,546
2. Lakeland Regional Library	PESP	1,358
3. Wadena S.D. No. 46	SHA	3,480
4. City of Prince Albert	RCESP	139,906
5. Davidson S.D. No. 31	SHA	2,023
6. Town of Eston	SHA	2,119
7. Gull Lake S.D. No. 76	GCTB	12,145
8. Tisdale S.D. No. 53	PESP	10,450
9. Eastend S.D. No. 8	PESP	6,232
		$208,259

Explanation of Abbreviations:

GCTB — Government of Canada Treasury Board
PESP — Public Employees Superannuation Plan
RCESP — Regina Civic Employees' Superannuation Plan
SHA — Saskatchewan Health-Care Association

XI — Deaths of Members

Payments to Estates, Beneficiaries, or Dependants

Name	Date of Death	Age at Time of Death
Drysdale, Hugh	Feb. 5, 1987	63
McDade, William	Aug. 9, 1987	60
Missellbrook, Lyle	Feb. 28, 1987	56
Munro, Donald	Sept. 18, 1987	49
Naber, Allan	Nov. 15, 1987	41
Olson, Walter	Oct. 30, 1987	39
Smith, Roy A.	Dec. 30, 1986	58
Toth, Joseph	July 28, 1987	52

XII — Deaths of Superannuated Members

Name	Date of Death	Age at Time of Death
Benoit, Eugene	Feb. 15 1987	80
Bertolo, Albert	July 14, 1987	76
Blevin, David	Nov. 2, 1987	74
Boghean, D.	June 11, 1987	73
Brackenbury, H.	Aug. 6, 1987	77
Cooper, Alda	Feb. 2, 1987	73
Deeley, Winnifred	July 24, 1987	72
Doege, W.	June 1, 1987	75
Eckl, C.	June 15, 1987	54*
Fostey, John	Apr. 4, 1987	72
Goldie, Alexander	July 21, 1987	76
Grand, Frank	Oct. 4, 1987	75
Hill, Rowland	Dec. 15, 1986	75
Jesse, Edwin	July 22, 1987	73
Johnson, Thomas	Mar. 13, 1987	80
Kimmel, Emanuel	Apr. 13, 1987	80
Konkin, Larry	Oct. 29, 1987	62
Link, Rudolph	Oct. 26, 1987	74
Loeppky, H.	May 9, 1987	66
Marton, Ben	Oct. 9, 1987	66
McKee, Fred	Apr. 8, 1987	72
Meier, Louis	Oct. 5, 1987	72
Pearson, Anton	Nov. 15, 1987	83
Sanderson, J.	Sept. 17, 1987	67
Sangert, Earl	Mar. 3, 1987	65
Schraeder, Catherine	Jan. 7, 1987	67
Trischuk, Nicholas	Sept. 10, 1987	73
Watts, Fred	Apr. 17, 1987	69

* On disability pension

XIII — Lump Sum Payments

Payments to Estates and Beneficiaries

Payment No.	Amount
1	$ 5,080
2	2,879
3	6,223
4	7,310
5	13,902
6	6,832
7	509
8	966
9	6,990*
	$50,691

Average Value of Payments — $6,336

*Beneficiaries also receiving pension

XIV — Administration Expenses

Code 1 — Personnel Services:	
Salaries — Permanent — in scope	$ 96,638
— Permanent — out of scope	36,623
Honorariums	4,538
Total Code 1	$137,799
Code 2 — Contractual Services:	
Computer Services	$42,365
Printing, Binding, and Engraving	5,215
Registration Fees	175
Repairs to Office Equipment	2,961
Travel and Substance — government employees	768
— commission members	4,084
Telephone Rental	3,135
Miscellaneous	985
Total Code 2	59,688
Code 3 — Books, Magazines, Reference Material	1,240
Code 5 — Accounting and Business Machines	175
Total Expenditures January 1, 1987 to December 31, 1987	**$198,902**

NOTE: Pursuant to Section 10 of *The Municipal Employees Superannuation Act*, the Province of Saskatchewan allots the commission sufficient funds each year to cover its administration expenses and, in addition, provides office space, investment services, and free monthly cheque preparation services with respect to superannuated employees.

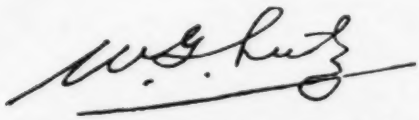
XV — Auditor's Report and Financial Statements

Auditor's Report

To the Members of the Legislative Assembly
of Saskatchewan

I have examined the balance sheet of The Municipal Employees' Superannuation Fund as at December 31, 1987 and the statement of changes in fund balance for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Fund as at December 31, 1987 and the results of its operations and the changes in its financial position for the year then ended in accordance with the accounting principles disclosed in Note 2 to the financial statements applied on a basis consistent with that of the preceding year.



Regina, Saskatchewan,
March 2, 1988.

W. G. Lutz, F.C.A.,
Provincial Auditor.

The Municipal Employees' Superannuation Fund

Balance Sheet

As at December 31

	1987	1986
Assets		
Cash	$ —	$ 423,427
Contributions and other accounts receivable	1,320,369	1,014,012
Accrued interest	3,230,859	2,881,229
Investments (Note 3)	199,266,363	169,510,709
	$203,817,591	$173,829,377
Liabilities and Fund Balance		
Liabilities:		
Bank overdraft	$ 118,108	$ —
Accounts payable	105,824	37,529
Provision for future annuities	15,546,384	14,439,284
Total liabilities	15,770,316	14,476,813
Fund balance:		
Defined Benefit Plan	171,853,070	145,153,797
Money Accumulation Plan	13,719,413	13,166,887
Annuity Underwriting	(2,701,447)	(2,637,478)
Supplementary Benefits	5,176,239	3,669,358
Total fund balance	188,047,275	159,352,564
	$203,817,591	$173,829,377

(see accompanying notes to the financial statements)

The Municipal Employees' Superannuation Fund

Statement of Changes in Fund Balance

Year Ended December 31, 1987

	Defined Benefit Plan		Money Accumulation Plan		Annuity Underwriting Activity		Supplementary Benefits Activity		Total	
	1987	1986	1987	1986	1987	1986	1987	1986	1987	1986
Balance, beginning of year	$145,153,797	$119,516,930	$13,166,888	$12,789,144	($2,637,478)	($1,742,533)	$3,669,358	$3,576,705	$159,352,565	$134,140,246
Add:										
Contributions									6,570,740	6,219,112
– employees	6,472,567	6,143,274	98,173	75,838	–	–	–	–	6,552,037	6,189,909
– employers	6,472,567	6,143,274	79,470	46,635	–	–	–	–	104,572	64,242
Interest on funds transferred in	104,572	64,242	–	–	–	–	–	–	21,872,361	19,276,351
Interest earned	18,571,194	16,161,905	1,424,166	1,342,996	1,411,116	1,330,060	465,885	441,390	15,182	17,610
Contribution – Rural Pension supplement	15,182	17,610	–	–	–	–	–	–	35,114,892	31,767,224
	31,636,082	28,530,305	1,601,809	1,465,469	1,411,116	1,330,060	465,885	441,390		
Deduct:										
Transfers to other retirement plans	208,259	262,414	–	36,480	–	–	–	–	208,259	298,894
Lump sum payments to estates	43,579	27,230	7,112	63,492	–	–	–	–	50,691	90,722
Payments in lieu of annuities	59,158	43,476	2,100	3,009	–	–	–	–	61,258	46,485
Payments to insurance company	–	–	3,883	67,010	–	–	–	–	3,883	67,010
Withdrawals with interest	946,883	882,578	1,297	31,182	–	–	–	–	948,180	913,760
Allowances	1,612,537	1,263,041	–	–	1,894,467	1,724,667	525,322	376,098	4,032,326	3,363,806
Actuary fees	8,485	4,815	–	–	–	–	–	–	8,485	4,815
Change in value (Note 4)	–	–	–	–	1,107,100	1,769,414	–	–	1,107,100	1,769,414
	2,878,901	2,483,554	14,392	201,173	3,001,567	3,494,081	525,322	376,098	6,420,182	6,554,906
Add (Deduct):										
Intra-fund transactions:										
Retirement annuities purchased	–	–	(1,526,481)	(1,269,076)	1,526,481	1,269,076	–	–	–	–
Excess employee contributions	(491,589)	(409,884)	491,589	409,884	–	–	–	–	–	–
Employer contributions forfeited on withdrawal	–	–	–	(27,361)	–	–	–	27,361	27,361	–
	(491,589)	(409,884)	(1,034,892)	(886,553)	1,526,481	1,269,076	–	27,361	27,361	–
Net increase (decrease)	28,265,592	25,636,867	552,525	377,743	(63,970)	(894,945)	(59,437)	92,653	28,694,710	25,212,318
Balance before the following	173,419,389	145,153,797	13,719,413	13,166,887	(2,701,448)	(2,637,478)	3,609,921	3,669,358	188,047,275	159,352,564
Funds transferred	(1,566,319)	–	–	–	–	–	1,566,319	–	–	–
Balance, End of Year	$171,853,070	$145,153,797	$13,719,413	$13,166,887	($2,701,448)	($2,637,478)	$5,176,240	$3,669,358	$188,047,275	$159,352,564

(See accompanying notes to the financial statements)

Notes to Financial Statements

December 31, 1987

1 Description of the Municipal Employees' Superannuation Fund

General

The Municipal Employees' Superannuation Act, Section 11, provides authority for The Municipal Employees' Superannuation Fund. The Act directs that all allowances, payments and refunds under the Act shall be payable out of the fund in the manner provided in the Act together with all benefits granted under a former Act. The Act also directs that all monies in the fund shall be paid to and shall be held in trust by the Minister of Finance who shall invest such monies in securities authorized under The Pension Benefits Act. All other administrative responsibilities reside with The Municipal Employees' Superannuation Commission whose composition and authority to administer the Act are provided in Section 7 of the Act.

Fund Balances

The Municipal Employees' Superannuation Fund is composed of several activities. The purpose and details of the activities are outlined below.

Defined Benefit Plan

The defined benefit plan became effective July 1, 1973. The plan is mandatory for employees with one year of service. Contributions are established at 7% of earnings net of C.P.P. contributions and are matched by the employer.

At age 65 employees are entitled to pension benefits equal to:

- 1.3% of that portion of their average salary for the five highest calendar years, which is not in excess of the average yearly maximum pensionable earnings for the three years immediately prior to retirement; and
- 2% of that portion of their average highest salaries, if any, which exceed the average yearly maximum pensionable earnings of the three years immediately prior to retirement;

for each year and fractional year of contributory service in the plan prior to retirement.

Employees who have attained the age of at least 55 years and who are credited with at least 15 years of continuous service may retire and receive early retirement pensions; however, such allowances are subject to reductions of .25% per month for each month that their early retirement dates precede their normal retirement dates.

Upon termination of employment, where age and service totals less than 45 years, the member may withdraw all of his own contributions plus interest; however, in such cases the funds contributed by his employer on his behalf are forfeited to the fund.

When the terminating employee's age and service totals 45 years or more, he may either withdraw one-half of his own contributions and interest and remain eligible for a reduced allowance at normal retirement age; or, he may simply leave all funds with the plan and receive a "full" nonreduced deferred pension at normal retirement age.

When an employee dies and has less than 10 years of credited service to his credit, his named beneficiary is entitled to a lump sum refund of the decedent's contributions and interest. In cases where the deceased member did have at least 10 years of credited service to his credit, his surviving spouse, if any, is entitled to an allowance amounting to 60% of what would be payable if the decedent were alive and eligible for a pension. Additional benefits, not exceeding 25% of the decedent's calculated pension, may be payable where dependent children are also involved.

If a pensioner dies leaving a spouse or dependent, 60% of the pension is paid for life. If there is no spouse or dependent, the balance of member contributions plus interest at retirement, less pension payments, is paid in a lump sum.

Interest is allocated annually on the basis of the plan's portion of the total assets of the fund.

Any surpluses that arise in the fund as a result of forfeitures of employer contributions on an employee's withdrawal, investment earnings on existing surpluses or in excess of actuarial assumptions, or contributions in excess of that required to meet current fund obligations can be used at the discretion of the Commission to finance other activities.

Money Accumulation Plan

The Money Accumulation Plan consists of members who made contributions to the money purchase plan in effect prior to July 1, 1973. Upon retirement members must purchase an annuity from either the fund or a private insurer based on all employee and employer contributions together with interest thereon. In the event of death prior to retirement, their beneficiaries have the option of receiving such annuities or receiving a lump sum payment of all employee and employer accounts.

In addition, the accounts, set up to record mandatory contributions made to the fund prior to July 1, 1973, may also contain:

- voluntary employee and/or employer contributions made either before or after July 1, 1973;
- any employer and/or employee contributions made to the plan subsequent to normal retirement age; and
- any excess employee funds transferred from the new plan pursuant to Subsection 20(4) of The Municipal Employees' Superannuation Act.

Interest is credited annually to the individual members account balances in accordance with the provisions of the governing legislation. An interest rate of 11% was approved by the Commission in 1986 and 11.5% in 1987.

Any forfeitures of the employer contributions, resulting from an employee withdrawing from the plan are removed from the plan and credited to the supplementary benefits activity for use at the discretion of the Commission.

Annuity Underwriting

Members of the Money Accumulation Plan upon retirement must purchase a life annuity through the Commission or through a private insurer.

If the member elects to purchase through the Commission, the individual's account balance is transferred to the annuity underwriting activity and an annuity contract is agreed to based on current interest rates and annuity tables.

Interest is allocated annually on the basis of the activity's portion of the total assets of the Fund.

The present value of future annuities is reflected as a liability to the fund and a charge against the annuity underwriting activity.

Any surplus resulting in the activity can be utilized at the discretion of the Commission.

Supplementary Benefits

In accordance with the Act, the Commission makes supplementary benefits to superannuates to compensate them for lost purchasing power.

These supplementary benefits can be made by the Commission as long as the solvency of the entire fund is not impaired.

Funding for supplementary benefits results from forfeitures from the Money Purchase Plan and from the Commission transferring surplus amounts from the other activities to equal the actuarial valuation of supplements granted.

Interest is allocated annually on the basis of the activity's portion of the total assets of the Fund.

2. **Accounting Policies**

These financial statements have been prepared in accordance with accounting principles considered appropriate for the Fund. The significant accounting policies are as follows:

Accrual Accounting

The financial statements are prepared on the accrual basis. The statements show only the position of the fund as at the year-end and do not purport to show the adequacy of the fund to meet its future obligations except that the fund records a provision for the present value of future annuity payments.

Investments

The bonds and debentures are recorded at amortized cost and any premiums or discounts associated with their acquisition are amortized on a straight-line basis. When bonds and debentures are sold to permit reinvestment, any gain or loss as a result of the sale and any unamortized premiums or discounts are amortized over the remaining term of the security sold. Short-term deposit certificates, corporate shares, mortgages and real estate are recorded at cost. Any gains or losses resulting from their sale are recognized in the period of the sale.

3. **Investments**

	1987		1986	
	Cost	Market Value	Cost	Market Value
Bonds and debentures at par	$120,059,511	$	$102,868,743	$
Less:				
Unamortized gains/losses	(1,805,906)		(705,829)	
Unamortized premiums/discounts	(3,907,558)		(4,109,149)	
	114,346,047	117,106,793	98,053,765	108,570,407
Deposit certificates — short-term	33,795,169	33,795,169	18,001,446	18,001,446
Corporate shares	37,745,649	34,105,974	38,555,826	38,979,789
Mortgages	9,300,831	9,334,663	11,859,732	11,698,595
Real estate	4,078,667	3,917,912	3,039,940	3,017,515
Investments — to Statement 1	$199,266,363	$198,260,511	$169,510,709	$180,267,752

4. **Actuarial Report**

The Pension Benefits Act requires an actuarial valuation of the assets and liabilities of the fund to be made by an Actuary at regular intervals of three years. The most recent valuation was carried out as at December 31, 1986.

The valuation indicates the fund to be fully funded, with a surplus, and the current contribution rate more than sufficient to finance benefits to be earned in the future.

The surplus of the fund as at December 31, 1986 was calculated to be $37,291,237 determined as follows:

Assets	$174,094,342
Actuarial Liabilities	
Money Accumulation Plan	$ 13,155,730
Active Members	85,428,146
Inactive Members	4,014,810
Deferred Pensions	1,006,854
Pensioners	33,197,565
	$136,803,105
Surplus	$ 37,291,237

The actuary used the Accrued Benefit Method to determine whether the assets in the fund at valuation date were sufficient to finance the benefits earned in respect of service to the valuation date.

This method examines each benefit that may be payable in the future due to service up to the valuation date multiplying it by its probability of being paid and discounting back to the valuation date using an interest rate.

To determine the contribution rate for the future that will finance future benefits to be earned in the future, the Single Premium, or Unit Cost, Method was used.

The significant actuarial assumptions are as follows:

(a) **Life Expectancy**

It was assumed that future mortality experience would follow the 1983 Group Annuity Mortality Table.

(b) **Rate of Investment Return**

A 7% per annum return on investments was assumed.

(c) **Salary Increases**

Salary increases were assumed to be 6% adjusted to include merit and promotion factors.

(d) **Termination**

Termination pattern used was as follows:

Age	Male %	Female %
20	16.0	32.0
30	8.8	17.6
40	4.7	9.4
50	2.1	4.2

(e) **Retirement**

The actuarial valuation assumed that all police and fire employees retire at age 60 and all other members retire at age 65.

(f) **Dependents**

It was assumed that 100% of males and 80% of females would be married at death and 90% would be married at retirement.

(g) **Asset Values**

Book value was used as a conservative estimate of market value.

5. **Administrative Costs**

The costs of administering the Act are borne by the Consolidated Fund of the Province pursuant to Section 10 of The Municipal Employees' Superannuation Act. Accordingly, these costs are not reflected in the financial statements.

The costs of actuarial studies are borne by The Municipal Employees' Superannuation Fund in accordance with provisions contained in Section 12 of the Act.